GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:237
ANSWERED ON:14.03.2008
RECOVERY OF TAX FROM MULTINATIONAL COMPANIES
Mondal Shri Abu Ayes

Will the Minister of FINANCE be pleased to state:

(a) the details of tax collected from the Multi-National Companies (MNCs) during each of the last two years;

(b) the names of the MNCs which have not deposited the assessed tax during the above period along with the estimated amount outstanding against each, at present; and

(c) the details of the efforts made to recover the dues?

Answer

FINANCE MINISTER(SHRI P. CHIDAMBARAM)

(a) to (c): A statement is being laid in the table of the house.

STATEMENT REFERRED TO IN THE REPLY TO LOK SABHA STARRED QUESTION NO. 237 RAISED BY SHRI ABU AYES MONDAL TO BE ANSWERED ON FRIDAY,THE 14TH MARCH, 2008. 24TH PHALGUNA 1929 (SAKA) REGARDING `RECOVERY OF TAX FROM MULTINATIONAL COMPANIES

(a) The Income Tax Department does not maintain separate details in respect of categories such as Multi-National Companies.Multinational Companies are not defined in the Income Tax Act.However from the records available a list of tax collected above Rs 25 crores from MNCs for the last two Assessment years in given in Annexure A.

(b) As per the records available a list of outstanding demand above 25 crores as on 31.12.2.007 is attached as Annexure-B.The list includes cases where demand has not fallen due forpaymentas on31.12.2007.

(c) Apart from the statutory steps being taken for recovery of outstanding tax dues as prescribed under the Income Tax Act (including attachment of bank account,debtors,etc,attachment and sale of immovable property, etc) the following special measures are also being taken to expedite recovery of direct tax arrears:

i) Monitoring of recovery of arrears in large cases by a Task Force.

ii) identification of cases involving substantial amount of arrears pending before Commissioners(Appeals) and ITAT and requesting these authorities to dispose off such appeals early so that the demand can be collected during the current financial year itself,

iii) Requesting the President of ITAT not to allow stay of demand beyond 180 days as prescribed in section 254(2A) of the Income-tax Act.

iv) Requesting Settlement Commission to dispose off high demand cases expeditiously.